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Chair: Mr. John Williamson





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• (1610)

[English]

**The Chair (Mr. John Williamson (New Brunswick South-west, CPC)):** Good afternoon, everyone.

[Translation]

I now call the meeting to order.

Welcome to meeting number 71 of the House of Commons Standing Committee on Public Accounts.

[English]

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, April 24, 2023, the committee resumes its study of the Pierre Elliott Trudeau Foundation.

I'd now like to welcome our witness.

Joining us by video conference, we have Mr. Mel Cappe, as a professor.

We've never met, sir, but it's nice to see you. Thank you for joining us today.

Mr. Cappe, I understand you have an opening statement. You have the floor for five minutes. It's over to you.

You're on mute, Mr. Cappe.

**Professor Mel Cappe (Professor, As an Individual):** The most oft-stated words since COVID have been, "You have to unmute."

[Translation]

Thank you, Mr. Chair.

I worked in the public service for over 30 years.

[English]

I was appointed to the rank of deputy minister by Prime Minister Mulroney, then served as Clerk of the Privy Council under Prime Minister Chrétien. I continued to serve as high commissioner to the United Kingdom in the first government of Prime Minister Stephen Harper.

I am now, actually, not a professor, although my students call me that. I am titled a distinguished fellow at the Munk School of Global Affairs and Public Policy at the University of Toronto.

From 2016 to 2018, perhaps relevant to this hearing, I was a mentor for the Pierre Elliott Trudeau Foundation. I originally declined to accept the committee's invitation to appear on the matter

of the Pierre Elliott Trudeau Foundation, because I felt I had nothing to contribute to the committee's study of the matter. When the committee requested a second time, I agreed to appear. However, I do not want to disappoint the committee. I still believe I have nothing to contribute to the committee's understanding of the issue.

[Translation]

I was the Clerk of the Privy Council from January 1999 to June 2002, when the Foundation was created.

[English]

When former prime minister Pierre Elliott Trudeau passed away in September 2000, I was, indeed, the clerk. As the government considered how to commemorate former prime minister Trudeau, I postponed cabinet consideration to allow for the preparation of alternatives and a more structured and disciplined deliberation of the means of honouring the deceased former PM.

After that, I believe the industry department, Canadian Heritage and the Treasury Board Secretariat worked on proposals. To the best of my recollection, I had no further involvement in the creation of the foundation or the government's relation with it. I was preoccupied with the preparations for a transition of government, a pending election, the implementation of the new government's agenda, and then, most unfortunately, the closed border with the United States and everyone else—the closed airspace after 9/11 and the decision to send troops to Afghanistan. I was involved with the preparation of the budget and the Speech from the Throne. As far as I can recall, I had no further consideration of the Trudeau Foundation.

On February 20, 2002, the then minister of industry, Allan Rock, announced in the House the creation of the scholarship program under the aegis of the P.E. Trudeau Foundation. I left Ottawa in June of that year, 2002. Apparently, I'm told, the government ultimately signed a contribution agreement with the foundation in May 2004. By that time, I'd been in London as high commissioner for two years.

In addition, from 2016 to 2018, I was mentor to two Ph.D. students who were fellows of the foundation. One was a pediatric oncologist at SickKids hospital in Toronto working on a Ph.D. in public health at McMaster University. The other was a student from Oshawa working on his Ph.D. at Oxford University in public health in West Africa. He now has his Ph.D. and is the departmental lecturer at Oxford University. He recently told me he hopes to find an academic position in Canada in the next year or two. These two young men of extraordinary talent and promise were typical of the fellows I met at the foundation. They give me great hope for the future of Canada.

I've now told you pretty much everything I know about the Trudeau Foundation, but I'm happy to answer questions about the foundation if I know anything about it that might help you.

Thank you, Mr. Chair.

**The Chair:** Thank you, Mr. Cappe.

I have to say, I've been a fellow but never a distinguished fellow, so I appreciate that correction from your side as well to make sure we get your title correct.

I appreciate what you had to say and all we ask is that you attempt to answer our questions as straightforwardly as you possibly can, and we'll take it from there.

Bells will go off. I'm going to try to get through at least the first round prior to voting so there might be a pause, Mr. Cappe, and then we'll resume things after votes. I think you know the system here. We sometimes have these speed bumps during committee but we will proceed as best we can.

Without further ado, I'm going to open things up with the Conservative side.

I'll start with Mr. McCauley.

You have the floor for six minutes, please.

• (1615)

**Mr. Kelly McCauley (Edmonton West, CPC):** Thank you.

Mr. Cappe, thanks for joining us today. I appreciate your opening statement and your comments about perhaps some difficulty in answering, but I certainly appreciate what you can offer from your extensive experience.

The foundation falls under the Accountability Act. I'm wondering if you have thoughts on what would have changed for obligations they might have pre and post. On the governance structure, were you involved in any way or did you have any feedback, learn anything, about the governance process with the foundation?

**Prof. Mel Cappe:** I'm going to speak on what I know, but I'm not the authority on this. I did see Mr. Knuble's testimony before the committee earlier in the week, and I would just add a precision to the way he characterized the status of the foundation.

He said that it was within the portfolio of the industry department. Actually, it's incorporated under the Canada Not-for-profit Corporations Act. My understanding is that it actually is not subject to the Accountability Act.

What it is subject to is a contribution agreement between the Department of Industry and the foundation. Beyond that, I really don't know much more about it.

When I was at the foundation, I did participate in a couple of events, meetings that we had with fellows and with mentors, one of which was in St. John's and then we flew up to Happy Valley-Goose Bay and then on to Rigolet in a remote part of Labrador. At that time, my understanding was that the members of the corporation elected the outside board members. That's really all I know.

**Mr. Kelly McCauley:** They actually are covered under the Accountability Act. Oddly enough, they're subject to access to information requests.

Were you a mentor at all at the same time as Stephen Kakfwi?

**Prof. Mel Cappe:** I had known Mr. Kakfwi before when he was premier of the NWT. I think he was at the St. John's meeting I mentioned.

**Mr. Kelly McCauley:** Are you aware of the sexual harassment suit against the foundation?

**Prof. Mel Cappe:** Only what I heard you raise at the committee. I'm not aware of anything more.

**Mr. Kelly McCauley:** You mentioned you were a mentor to two students. I think that's phenomenal.

Are you aware of the rather over-the-top paperwork involved, including contracts? I understand it's a 60-page agreement that students have to sign giving up a fair amount of their rights.

**Prof. Mel Cappe:** I don't know. I looked for the contribution agreement between the government and the foundation online and I came across, rather, the agreement between the foundation and the students, but other than that, I don't know anything about it.

**Mr. Kelly McCauley:** You're not aware of the two students you mentored having to sign such forms.

**Prof. Mel Cappe:** I know they have to sign something, but I don't know what it was.

**Mr. Kelly McCauley:** Apparently it's about a 60-page agreement that limits a lot of their rights for protection under such issues, and also to perhaps speak out or hold the foundation legally accountable and liable for any actions they take.

I'm curious. If you look at the Trudeau Foundation as it's set up, based on your rather extensive experience.... There's a fair amount of taxpayers' money, \$125 million, which is about \$206 million in today's dollars, so it's getting up there. How would you propose that parliamentarians hold the board accountable for that money and their actions?

The reason I ask that is I look at the scandal with Hockey Canada, which is not a government organization but receives government money—it's the same with Gymnastics Canada—and I see parallels in a way between the actions of the two, which are taxpayer funded.

How would you think, in your experience, parliamentarians should hold them accountable for that money?

• (1620)

**Prof. Mel Cappe:** With all due respect, sir, I think you should hold the government to account, first of all, but the contribution agreement that was signed between the government and the foundation should be the means by which they're held to account. It's a subtlety and a small point, but it's not an insignificant one.

My only failing is I spent too much of my career in the Treasury Board Secretariat and spent a lot of time worrying about exactly these issues. Given that the federal government was giving so many grants and contributions, whether it was in sports, as you noted, or in the case of scholarships, the government needs a way of holding them to account, and Parliament needs a way of holding the government to account.

**Mr. Kelly McCauley:** Being concerned about that is never a failing, sir. Thank you for your concern. I will agree with you there.

We've heard—

**The Chair:** Mr. McCauley, you're actually out of time.

**Mr. Kelly McCauley:** I'll save it for the next round.

Thanks, Mr. Cappe.

**The Chair:** Mr. Fragiskatos, you have the floor for six minutes, please.

**Mr. Peter Fragiskatos (London North Centre, Lib.):** Thank you, Chair.

Thank you to Professor Cappe for being here.

Sir, you have added to the record now in terms of experiences working with graduate students through the Trudeau Foundation. Could you elaborate a little more on the experiences you have had and where they have led in terms of the interactions with students, who sound to be doing quite well and have turned into a success? What has that meant to you personally?

**Prof. Mel Cappe:** It was a wonderful experience.

Frankly, I think most of the fellows were women. I just happened to have two young men as mentees, and they are going to set the world on fire. They have all this talent, which the foundation actually helps develop.

The young chap I mentioned who's teaching at Oxford sent me a note recently where he said, "I would never have finished my doctorate if not for the financial support, professional network and social and intellectual camaraderie that I was lucky enough to receive as a scholar." He went on, with a tug at his forelocks, to me saying the mentorship aspect of the program was good too.

Frankly, I would be happy to work for either of these two gentlemen.

**Mr. Peter Fragiskatos:** As anyone who's been to graduate school knows, it's a challenge, and certainly it's helped along when you do have mentors, who provide assistance of the kind you've provided. I think that's a great contribution you were able to make.

You'll forgive me for asking the question, but it does have to be asked. It's been asked of others who have appeared at committee recently on this issue, but let's confirm it. In your interactions with students and with other colleagues at the Trudeau Foundation, was there ever an effort made, an obligation put forward that the students had to live up to a certain ideological predisposition or anything along these lines? Was an open attitude taken with respect to choosing the students who would be mentored, or did they have to be liberals? Did they have to be on the centre-left of the spectrum, anything along these lines?

**Prof. Mel Cappe:** The way you asked the question, I'm tempted to joke, but this is not a joking matter, so I won't.

No, there was no understanding or incentive or pressure for the scholars to be of any particular background. I met several of them who I thought were too far to one side or too far to the other, and, in fact, I should say, "and too far to the other", but that was my personal view. They were a diverse group, and I mean diversity in the very broadest sense, whether it was gender orientation, gender itself or ethnic background and political views.

I'll give you an example. There was a seminar I went to with a bunch of the fellows and a couple of scholars on MAID, medical assistance in dying. Actually, Rob Oliphant, the parliamentary secretary, gave a talk, although he was in opposition at the time. I had a real sense that there were people around the table who were on all sides of this issue, and that's the way it should be.

• (1625)

**Mr. Peter Fragiskatos:** I take your point. Graduate students are known to hold strong views one way or the other, as you put it, but there's nothing wrong with that either—

**Prof. Mel Cappe:** Quite so.

**Mr. Peter Fragiskatos:** —in terms of their politics and the like.

We've seen this happen with other organizations before, where issues have become politicized to the point where they have led to if not the outright end of an organization that's done good work, something very close to it, something approximating just that. Do you worry about the Trudeau Foundation ceasing its operations, or if not ceasing its operations, being debilitated in terms of its ability to carry out the work it has done in the past? I know that the students they have been assisting certainly must look at all of this with enormous regret and worry.

Is this something that you would be concerned about and perhaps even caution parliamentarians to tread carefully on? There is responsibility here that extends well beyond politics, and it does impact the lives of students that are set to do some extraordinary things.

**Prof. Mel Cappe:** It's not my place to tell parliamentarians how to their job. However, let me do that anyway.

I think this a serious issue.

I was not involved in the admission process to the fellowships or scholarships, although I was involved in the admission process of Action Canada at one point for a couple of years. What I worry about with the reputation that is being built now around the Trudeau Foundation is that they won't get the applications of the very best. It was very difficult for applicants to get a Trudeau fellowship or scholarship, and I think it's a real danger that the standard will be lowered, because the best will go elsewhere.

**The Chair:** Thank you very much.

[Translation]

Ms. Sinclair-Desgagné, you have the floor for six minutes.

**Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ):** Thank you, Mr. Chair.

Mr. Cappe, thank you for being with us today.

I would like to begin by correcting the record about something which I do not think was clear enough during your presentation. It is Ms. Robillard, then President of the Treasury Board, who, seconded by Mr. Goodale, tabled the endowment of the Trudeau Foundation on March 19, 2002, through the appropriations. So that is when it was voted on in the House.

Now, I am curious about the contract that you mentioned was signed in 2004. Apparently, the foundation was in fact officially created with this endowment in 2002.

**Prof. Mel Cappe:** I am not the expert and I do not have all the documents with me. If I understand well, the government made a commitment in March 2002 to transfer the funds. However, I believe the current agreement was signed in 2004, but I am not sure.

**Ms. Nathalie Sinclair-Desgagné:** Okay.

Very briefly, because my time is limited, could you tell me what role the Privy Council played in the creation of the foundation in 2001?

• (1630)

**Prof. Mel Cappe:** It was to help the cabinet make a decision.

**Ms. Nathalie Sinclair-Desgagné:** Okay.

To your knowledge, who was involved in lobbying for the creation of the foundation?

**Prof. Mel Cappe:** It is a secret that I would not be allowed to disclose but I do not remember who it was anyway. However I am sure that the cabinet consulted one of its committees before it confirmed the decision.

**Ms. Nathalie Sinclair-Desgagné:** Okay.

Could you tell me more about that? The memory loss is unfortunate, but it would be very helpful to this committee if you could remember somewhat who was present during the creation of the foundation.

**Prof. Mel Cappe:** It has been 21 years, so I apologize for not remembering. From what I recall, the process was conducted by

Canadian Heritage, then reviewed by the government and cabinet, and then confirmed by a committee. I may get mixed up between Canadian Heritage and Innovation, Science and Economic Development Canada, because in the end, it was the latter department that transferred the funds to the foundation.

**Ms. Nathalie Sinclair-Desgagné:** Okay. During the years you were the Clerk of the Privy Council, were you involved in the creation of other foundations like this one?

**Prof. Mel Cappe:** I was not involved in the creation of those kinds of foundations, but when we were working on the annual budgets, there were always payments to such foundations.

**Ms. Nathalie Sinclair-Desgagné:** Okay. To your knowledge, did any other foundation have a name that was obviously related to a political party?

[English]

**Prof. Mel Cappe:** No.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** So—

**Prof. Mel Cappe:** If I may interrupt, I remember another foundation, which was in the name of former Governor General Adrienne Clarkson.

**Ms. Nathalie Sinclair-Desgagné:** Yes, but it is not affiliated with a political party.

**Prof. Mel Cappe:** No, not at all.

**Ms. Nathalie Sinclair-Desgagné:** Okay. As far as you know, in addition to being a foundation whose name is affiliated with a political party, it is the only foundation of this kind that has received an endowment from the government.

**Prof. Mel Cappe:** Without going there, I must confirm to you that the Canadian Alliance, then the official opposition, supported Minister Allan Rock's proposal as well as the endowment of \$125 million.

**Ms. Nathalie Sinclair-Desgagné:** I read in the archives that, during the vote on the supplementary estimates on March 19, 2002, the Bloc Québécois, the Canadian Alliance and the Progressive Conservative Party voted against providing this \$125 million fund, which also contradicts what my colleague said.

**Prof. Mel Cappe:** I have the quote from Mr. John Reynolds, who was the interim leader of the Canadian Alliance at the time. He supported the involvement of Mr. Sacha Trudeau and the creation of this kind of recognition of the former prime minister.

**The Chair:** The time is up, thank you very much.

[English]

Mr. Desjarlais is joining us virtually as well.

You have the floor for six minutes, please.

**Mr. Blake Desjarlais (Edmonton Griesbach, NDP):** Thank you very much, Mr. Chair.

Thank you very much, Mr. Cappe, for being with us today.

I want to follow up on some of my questions to other witnesses who I'm sure you might be familiar with. It's trying to find this kind of unique problem that Parliament is in, that Canadians are in, and that our electoral process is in. It's this perception that it's been influenced in particular, for example, by the Pierre Elliott Trudeau Foundation's connection with the Prime Minister by way of a donation.

That public perception, of course, regardless of how true those things are, is out there. When I joined colleagues in Parliament to vote for a public inquiry, it was to make more certain to Canadians that we take this seriously and that there would be some kind of light shed on this. I take your point that we need to hold the government and direct those questions to the government more appropriately. I understand your comments on that.

As someone of your esteem, it's also important to try to find ways to utilize this time to see what your thoughts might be in relation to a public inquiry, which is something that I have been steadfast in trying to pursue and is something that I think, in the comments of Mr. Rosenberg, is something that political parties will have to decide. I also think that you, as a member of the Pierre Elliott Trudeau Foundation in the past and a high-ranking civil servant, take these issues seriously as well.

Understanding those things, do you think a public inquiry is important, especially from your previous service as a high-ranking civil servant? Do you think it would have a benefit for Canadians to actually ensure that we put some sunlight on this issue?

• (1635)

**Prof. Mel Cappe:** Mr. Chair, I am very hesitant to go there. I am here to talk about the Pierre Elliott Trudeau Foundation, and you're asking me about your job, whether to have a public inquiry.

Let me make two points.

The first is that I think the substantive issue of foreign influence is very, very important, and I commend Parliament for taking that seriously.

The second thing I would say is that it depends on what you mean by a public inquiry, as to what—

**Mr. Blake Desjarlais:** As of yet, sir.

**Prof. Mel Cappe:** Well, part I of the Inquiries Act creates inquiries, but doesn't say what they're to look at. Is it to be forward-looking or backward-looking? Is it going to be what happened and what did the government do, or is it how could we avoid this from ever happening again?

I think that a public inquiry is very important for the second question, the future. I think a public inquiry is inappropriate for looking backwards, and that's because I think the leaker—he's not a whistle-blower; he's a leaker—violated the law, and the Parliament of Canada should not be able to see the documents that he leaked.

Mr. Johnston said that members of the Privy Council should have access to it, and I know that the Leader of the Opposition, for instance, is a member of the Privy Council, but he suggested that the other leaders have access to it. I know that Mr. Singh is thinking about it.

I really don't think a public inquiry is helpful in looking backwards.

**Mr. Blake Desjarlais:** That's really helpful, Mr. Cappe. I do appreciate your expertise on this. I think this helps and serves Canadians to understand what a public inquiry can do, and you mentioned the kinds of ways it can do that.

In terms of a forward-looking public inquiry, one that would look to seek ways we could recommend, for example, processes or even laws that could stop or limit foreign interference in a way that's appropriate, particularly in our democratic system, but also by way of fundraising, I think are important. Wouldn't you agree?

**Prof. Mel Cappe:** Yes, I would agree.

My problem is what “public” means. With the greatest respect, Mr. Chair and Mr. Desjarlais, I suspect we mean different things by “public”.

My notion of a public inquiry is not one that's going to disclose all the secrets to the public. We have two quite successful examples of using part I of the Inquiries Act. One was Justice O'Connor's inquiry into Maher Arar, and the other was Justice Iacobucci's investigation into Abdullah Almalki and other alleged terrorists. They didn't disclose anything that was public, that would satisfy the interest that I think has been created for the public to have a voyeuristic look at what went on.

**Mr. Blake Desjarlais:** I think independence is an important piece to it. I think the independence is what's in question with Mr. Johnston, for example. We've seen members of the opposition, of course, attack that perspective, and I think independence is part of it.

• (1640)

**Prof. Mel Cappe:** It's not in question for me, sir.

**Mr. Blake Desjarlais:** I'm not asking you that question, Mr. Cappe.

With all due respect, I think your role here is to help answer our questions—

**Prof. Mel Cappe:** I agree.

**Mr. Blake Desjarlais:** —not to try to find ways to inform us as to what is or isn't our job, first of all.

I am asking, with all due respect, your advice as to what you believe a good public inquiry is, considering you are a witness here today, but you've also made a statement that you don't want to look backwards, and you're part of that backward-looking review. I can sense your private interest or personal interest in trying to protect or not do that, so I hear that point you're making. I didn't think it was necessary to be made.

I do think that, when I come back to this questioning in a further round, I'd like to focus on what kind of importance a public inquiry has, but also the kinds of perspectives that are important to that public inquiry, like independence—

**The Chair:** Thank you, Mr. Desjarlais. You will have another opportunity.

For our second round, to start, Mr. McCauley, you have the floor for five minutes.

**Mr. Kelly McCauley:** Thanks.

Mr. Cappe, I want to comment on and address something you have stated. We have heard repeatedly throughout this whole debacle with the Trudeau Foundation of various promoters, almost propagandists, with blatant misinformation about the unanimous support, as we've heard it, from all parties for the development of this. You just heard it today.

I want to quote from Hansard in 2002. This is from MP John Williams, a United Alternative at the time, who said:

Mr. Speaker, could the President of the Treasury Board confirm that the bill is in its usual form for an appropriation bill and that the \$125 million donation to the Pierre Trudeau foundation and opposed by the opposition is actually in order?

Further, the Journals show that every single non-Liberal and non-NDPer, which means the predecessors of the Conservatives and the Bloc, all voted against the appropriation. There also wasn't a single vote from the opposition parties in the industry committee when the estimates were being reviewed for this.

I am not looking for a comment, but I want to put it on the record and put an end to the misinformation and propaganda being put forward by very many people involved in the foundation that the opposition parties were in favour of this, when clearly they were not.

I want to go back to another comment. You mentioned a worry about the foundation not getting the best students because of the politicization.

Are you familiar with who John McCall MacBain is?

**Prof. Mel Cappe:** I know of him. I've never met him.

**Mr. Kelly McCauley:** I want to go back to your comment about not getting the best students. Do you think the abhorrent handling of the sexual harassment lawsuit has anything to do with students not wishing to apply?

I bring this up because the lady who brought forward the suit against the Trudeau Foundation has been harassed. In fact, John MacBain, who I think was noted as the largest single donor, took her aside separately at the behest of the foundation to try to bully her into retracting her claim.

Do you think maybe that has something to do with the best students not wanting to be involved with the foundation?

**Prof. Mel Cappe:** I have no idea.

**Mr. Kelly McCauley:** Did you see any of this going on? Remember, you were at the same St. John's conference when these allegations were put forward.

**Prof. Mel Cappe:** I did not see anything like that, no.

**Mr. Kelly McCauley:** Okay. Thank you.

I want to get back to the foundation's charitable status. We've seen the issue with the donations from Communist China. We've seen that apparently, the foundation is not following its obligations under the CNCA requirements as a soliciting corporation. I think it's been eight years now. We've seen that they haven't been following their disbursement obligations.

Do you think the foundation should be audited by the CRA?

**Prof. Mel Cappe:** I really don't have a view on that. I assume that the foundation has independent auditors. Anything incorporated under the Canada Not-for-profit Corporations Act would have to have independent auditors, I assume.

**Mr. Kelly McCauley:** Enron had and a lot of other companies have independent auditors, but I get your point.

I want to go back to your time as a mentor. Was there any training given to the mentors around dealing with younger people? Was there any sexual harassment training? Was there any HR training around that, or guidelines provided?

● (1645)

**Prof. Mel Cappe:** There is certainly nothing on sexual harassment. My God, it should go without a need to remind anyone, but still, there wasn't. However, there was a session—

**Mr. Kelly McCauley:** It should go, but apparently it didn't go.

Did you receive anything? You'd be a mentor and a person of power and prestige, and these young people are forced by the foundation to have a mentor. It's not an option. They have to have a mentor, so you would think the power differential is quite significant.

Was there anything—any advice, any training that you had to go through or anything you had to sign off on—before taking a mentee under your wing?

**Prof. Mel Cappe:** There was nothing to sign. I don't recall signing anything. There was a session we had the day before the first meeting with our mentees. We had a group of former mentors and us newbies in a session, when we talked about what worked and what didn't work, and I found that quite useful.

**Mr. Kelly McCauley:** Thank you, sir.

**The Chair:** Thank you very much.

The bells are ringing. I'm going to seek agreement to extend for 15 minutes. Is that acceptable to everyone?

**Some hon. members:** Agreed.

**The Chair:** Very good.

I'll turn now to Ms. Bradford.

You have the floor for five minutes.

**Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.):** Thank you, Mr. Chair.

Thank you, Mr. Cappe, for being here as a witness today. We respect your wealth of experience, so we appreciate your coming before us.

Can you clarify for us the time frame during which you were Clerk of the Privy Council?

**Prof. Mel Cappe:** It was from January 1999 through to June 2002.

**Ms. Valerie Bradford:** It was well before any of these issues we're discussing today came up.

**Prof. Mel Cappe:** Yes.



**Ms. Valerie Bradford:** Did you have much to do with the creation of the Trudeau Foundation?

**Prof. Mel Cappe:** As I said in my opening remarks, when Pierre Elliott Trudeau died, there were a couple of people who wanted to do certain things in commemoration. All I did was make sure there was a structured and disciplined process to assess alternatives and come up with what the government wanted and achieve the government's objectives.

**Ms. Valerie Bradford:** What was the purpose of the founding of the foundation?

**Prof. Mel Cappe:** What I think sold the argument about creating scholarships....

I'm going to put your question about the foundation aside for just a second. The idea of doing it as scholarships seemed to be a very apt commemoration of Pierre Elliott Trudeau the person, of his previous law professor experience, etc. Then the foundation, I think, became a....

Again, I wasn't involved in that part of it. My guess is that it became a convenient vehicle to do this.

**Ms. Valerie Bradford:** Has it achieved its mandate over the years?

**Prof. Mel Cappe:** I've been very impressed with the quality of the people. The people who were rejected from being admitted were very good. The people who got in were even better.

**Ms. Valerie Bradford:** Thank you.

We heard from Mr. Rosenberg that the foundation is entirely self-governed and that the rules were changed in 2013 to remove any role for the ministers in naming directors to the board. In fact, it's my understanding that the Government of Canada has not appointed anyone to the foundation or its board in more than 20 years.

Would you agree that's the case?

**Prof. Mel Cappe:** I have no idea.

**Ms. Valerie Bradford:** We also heard from Mr. Rosenberg that, in 2014 and 2015, when the foundation was receiving the donation, almost everyone in Canada, including the previous Conservative government, was optimistically working with China to advance relationships.

Would you agree this was the general consensus during that time in Canada?

**Prof. Mel Cappe:** It was very much so. When I was clerk, then prime minister Chrétien would take an almost annual trip to China with premiers and business leaders. All of this was in aid of trying to promote investment in China, and Chinese investment in Canada, and trade.

• (1650)

**Ms. Valerie Bradford:** Thank you.

You're listed as being a mentor for the Trudeau Foundation. Can you please elaborate on what being a mentor means in terms of the foundation and its work?

**Prof. Mel Cappe:** The mentorship is vis-à-vis an individual scholar.

I mentioned that I had two different scholars. One was early in his academic career. The other was already an accomplished pediatric oncologist. He was still in his early thirties. He was doing his research on public health in Canada. The other one was doing research on public health in West Africa.

Their needs were different. My role was to give both personal and professional advice. One of them—I won't say which—had a challenge with their thesis supervisor. We discussed how to deal with it. Another one had family issues. We discussed that. It really depended on the individual.

**Ms. Valerie Bradford:** It was a lot of problem-solving and coaching, perhaps.

**Prof. Mel Cappe:** Yes.

**Ms. Valerie Bradford:** Do you have any examples of the work the foundation has done to improve Canada's post-secondary research or assist Canadian researchers in achieving their potential? Can you give us a couple of examples that stand out in your mind?

**Prof. Mel Cappe:** I mentioned the MAID seminar I was at. In addition, I think there were others where researchers doing research in similar areas would get together. The foundation would bring them together.

The other thing was that the foundation had outreach as an objective, trying to get the scholars used to dealing with decision-makers and getting decision-makers used to relying on the scholarship.

[*Translation*]

**The Chair:** Thank you very much.

Ms. Sinclair-Desgagné, you have the floor for two and a half minutes.

**Ms. Nathalie Sinclair-Desgagné:** Thank you, Mr. Chair.

Mr. Cappe, who asked for the foundation to be named after the former prime minister?

**Prof. Mel Cappe:** I do not know. It was to recognize the former prime minister.

**Ms. Nathalie Sinclair-Desgagné:** Who asked that this publicly funded foundation be named after the former prime minister?

**Prof. Mel Cappe:** I do not know.

**Ms. Nathalie Sinclair-Desgagné:** In your experience, if you have been involved in the creation of foundations like this one, do you think it is fair that a foundation endowed with public funds meets certain criteria and certain commitments?

**Prof. Mel Cappe:** I do not have an opinion on that.

**Ms. Nathalie Sinclair-Desgagné:** As a former Clerk of the Privy Council, do you not have an opinion on the fact that foundations that receive public funds are not required to meet certain commitments?

**Prof. Mel Cappe:** Their commitments are set out in the endowment agreement. That is what we should focus on when it comes to performance.

**Ms. Nathalie Sinclair-Desgagné:** In the case of the Trudeau Foundation, you were no longer Clerk of the Privy Council when the endowment agreement was signed. On the other hand, have you been involved in other endowment agreements for other foundations?

**Prof. Mel Cappe:** No. I do not remember.

**Ms. Nathalie Sinclair-Desgagné:** Okay.

On the other hand, would you consider it fair and appropriate that if the criteria and commitments set out in the agreement are not met, the endowment initially received by the foundation could be revoked?

**Prof. Mel Cappe:** I do not know. It is a legal question, I guess.

**Ms. Nathalie Sinclair-Desgagné:** Is it a legal question, or is it a question of fairness and ethics?

**Prof. Mel Cappe:** It is your job to know that, madam.

**Ms. Nathalie Sinclair-Desgagné:** Absolutely, and I am asking for your opinion as someone who has served for 20 years in the public sector.

**Prof. Mel Cappe:** If that money was stolen or something took place that was not compatible with the objectives at all, the answer would be that it could be revoked. However, quite frankly, everything I saw was consistent with the objectives of the foundation.

• (1655)

**The Chair:** Thank you very much.

[English]

Mr. Desjarlais, you have the floor again for two and a half minutes, please.

**Mr. Blake Desjarlais:** Thank you very much, Mr. Chair.

Mr. Cappe, I want to refer to something you mentioned that I found to be interesting. You made a distinction, and I want to know why you think that distinction exists. You made a distinction between a leaker and a whistle-blower in reference to your comments about the allegations of foreign interference and the participation of that by the Pierre Elliott Foundation. That's the kind of evidence I find to be quite interesting and the kind of perception and perspective that I think is very interesting.

Why do you say that?

**Prof. Mel Cappe:** A whistle-blower is someone who sees illegal activity and wants to make sure that it is dealt with. A leaker takes something that's a secret and releases it.

I mean, right now, if you're watching what's going on in the United States, a President of the United States has been indicted for taking secrets away from secret facilities. At least in his case, he keeps it in his bathroom.

In the case of the leaker, he took it out into the public. That's illegal. I mean, imagine if—

**Mr. Blake Desjarlais:** You're confident that there's nothing illegal. Even though you didn't serve there during the time of these allegations, you're—

**Prof. Mel Cappe:** I haven't seen the document. I don't know what it is.

**Mr. Blake Desjarlais:** But you're confident that it's not something illegal.

**Prof. Mel Cappe:** I read the article.

**Mr. Blake Desjarlais:** By that judgment, you believe it's not illegal.

**Prof. Mel Cappe:** I could be proven wrong.

**Mr. Blake Desjarlais:** Maybe a public inquiry could help you with that.

**Prof. Mel Cappe:** I don't assume that it's illegal.

**Mr. Blake Desjarlais:** The part that you have assumed, though, is that it is not illegal, by making a reference to the fact that it's not a whistle-blower.

What I'm saying, Mr. Cappe, is that it's a strange position to make when we lack the clarity of the truth here. That's why I believe—just like you, I think—that the truth is most important and should prevail here.

**Prof. Mel Cappe:** We agree.

**Mr. Blake Desjarlais:** That's why I'm of the belief that a public inquiry is important. We've spoken about that. It's something that members of the foundation have disagreed with. I'm trying to get to the bottom of why they believe that. You made a very interesting position that you believe nothing illegal is going on, because [*Inaudible—Editor*] not a whistle-blower.

**Prof. Mel Cappe:** If it was illegal, Bob Fife and Steve Chase deserve to have their licences to be journalists removed, which they don't have anyway, but if they found something illegal, they should have written about it.

The only thing they found illegal was that this individual released secrets that are illegal to release. Imagine if the journalists had written that “we're not releasing the identity of the source because the pedophile would be subject to a prosecution under the Criminal Code”. You wouldn't accept that.

**The Chair:** Thank you very much, Mr. Cappe. We'll come back to this.

We're turning now to Mr. Kram for the last five minutes, and then we'll go off to vote.

You have the floor, sir, for five minutes.

**Mr. Michael Kram (Regina—Wascana, CPC):** Thank you very much, Mr. Chair.

Thank you, Mr. Cappe, for joining us today.

Let's rewind the clock back to 2002. What I find so interesting about this particular organization is that the initial grant was not for a specific project. This was for an endowment that would exist in perpetuity. Are you aware of any precedents for the federal government creating such an endowment? You mentioned the Governor General earlier in the meeting.

**Prof. Mel Cappe:** Again, those were similar in some respects in the sense that there was an endowment created for the Institute for Canadian Citizenship, I think it was called, that was created when Adrienne Clarkson stepped down as Governor General.

There were also a number of other...and my memory fails me here, but we got into a parliamentary dispute because the Auditor General didn't like the government giving out money at the end of the year. You may recall that when there was money left over at the end of the year, the government would look around and pay down debt, but every now and then it would take a lump sum and give it to an institution. I forget what examples there were. I should have looked it up before I came to you today, but that was a dispute where the Auditor General disputed that the government should be able to give that money away at year-end spending.

**Mr. Michael Kram:** Okay.

You mentioned Adrienne Clarkson and her institute. Are directors from that institute appointed by Adrienne Clarkson's family, to your knowledge?

• (1700)

**Prof. Mel Cappe:** That is, to the best of my knowledge, the case. There was an institution created and then it perpetuates itself.

**Mr. Michael Kram:** Okay.

With Adrienne Clarkson's institution or the Trudeau Foundation, when these institutions were being set up, was any concern ever raised about the governance structure, about having one particular family appoint directors in perpetuity?

**Prof. Mel Cappe:** Not that I'm aware of... I was involved in the Canadian Partnership Against Cancer. I was on the board. I was vice-chair for five of six years on the board. That was created by the Harper government. There was one board member who was appointed by the government, and the rest were all appointed by the members. The board itself would take off the hat of board member and be a member of the institution.

**Mr. Michael Kram:** On the public accounts committee, we deal with reports from the Auditor General on a regular basis—

**The Chair:** Mr. Kram, I'm going to pause it right there. I agreed to 15 minutes. While you have two minutes left, I think I'll pause it there. I should have said that I'd allow three more speakers, but I said "15 minutes", and we're at that time. I'm going to cut you off there. You'll have two full minutes when we return.

Mr. Cappe, if you wouldn't mind just bearing with us, we'll come back to you, I hope within 30 minutes. I think there's just a single vote.

I'm going to suspend this meeting.

Mr. Desjarlais, do you have a point that you would like to raise?

**Mr. Blake Desjarlais:** Yes. With unanimous consent, maybe we can allow just two minutes for Mr. Kram to finish.

**The Chair:** I'll look to see if I have it, but I had agreed to 15 minutes.

**Prof. Mel Cappe:** I have a guest coming to dinner in one hour.

**The Chair:** All right. Very good.

**An hon. member:** What are we having, Mr. Cappe?

**The Chair:** I will suspend this meeting, and we will see you back here as soon as possible.

• (1700)

(Pause)

• (1734)

**The Chair:** I'm going to bring us back into committee business.

Mr. Cappe, I know you have a dinner reservation. I'm going to do everything I can to get you there. I also have other requests for other social events, so there's lots going on here. I'm also aware of your request for a minute. You'll be given that shortly.

First, let me go back to Michael Kram, who has the floor for just over two minutes, please.

**Mr. Michael Kram:** Thank you very much, Mr. Chair.

Thank you, Mr. Cappe, for staying with us.

Here on the public accounts committee, we review Auditor General's reports all the time. It's a very useful function of government for parliamentarians to be able to make recommendations to improve the functions of government.

There does seem to be a breakdown in accountability when we have an organization such as the Trudeau Foundation receiving a \$100-million grant and then basically being told, "Good luck to you."

In your opinion, would it be in the public's interest if the Auditor General was able to audit entities such as the Trudeau Foundation to provide a greater level of accountability to Parliament and to the public?

• (1735)

**Prof. Mel Cappe:** This is one of the issues I wanted to raise, Mr. Chair.

In response to Mr. Kram, let me say no. This isn't something that I think would benefit from that. Let me explain why.

[*Translation*]

In response to Ms. Sinclair-Desgagné, there is something I should have raised.

[*English*]

I was president of the Institute for Research on Public Policy in Montreal after I left the government. The IRPP was created in the government of Pierre Elliott Trudeau. He created a little inquiry, if you will, but it wasn't a public inquiry. It was a piece that came up with a report, a task force, that said there should be an institute for research on public policy like the Brookings Institution, and IRPP was created.

IRPP was given \$10 million by the government of the day. I had said to Madam Sinclair-Desgagné that I couldn't remember any other institution, yet I was the president of one of them, so I feel guilty about that. The fact was, we were an institution that was created by government.

There's another one. Again, I was involved with it, although it doesn't have the money from the government. I've been drinking from the Canadian Blood Services cup that I have been using. I was the chair of the board of Canadian Blood Services for four years. It was created, as we unfortunately can recall, after the tainted blood scandal. It didn't get money from the federal government except to do research, but it got money from provincial governments. There was an obligation to have an independent auditor. I go back...Mr. Desjarlais was emphasizing independence. It is an independent auditor, but it isn't the Auditor General.

That's my answer, Mr. Kram.

**The Chair:** Thank you, Mr. Cappe. I appreciate that.

Turning to Mr. Sidhu, you have the floor for five minutes, please.

**Mr. Maninder Sidhu (Brampton East, Lib.):** Thank you, Mr. Chair.

Thanks to our witness for being here today.

Mr. Cappe, you said you wanted to clarify something or finish off previous remarks that got cut off. You can finish those now, if you want.

**Prof. Mel Cappe:** Well, it was actually for Madam Sinclair-Desgagné.

[*Translation*]

There was a process at Treasury Board to approve the criteria included in the endowment agreement.

[*English*]

That was one point.

The only other one goes back to Mr. Desjarlais.

I'm the one, curiously, who is defending Parliament here. I'm telling you that Parliament has created legislation that has to be respected. That is the Security of Information Act. I want to make sure that no public servant takes it upon themselves to make a judgment that they know better than Parliament.

That's my point.

Thank you, Mr. Sidhu.

**Mr. Maninder Sidhu:** Thank you, Mr. Cappe.

You mentioned public servants. It's National Public Service Week, so I want to take a moment to thank you for your service to Canadians and to thank all of our public servants.

Mr. Cappe, with your wealth of experience in the Canadian public service, I want to know if you have any advice that you would provide to parliamentarians regarding how best to protect elections and Canadians from foreign interference, especially in your previous roles.

**Prof. Mel Cappe:** I'm tempted to say that if I did know, I wouldn't tell you. I'd create a company to do it.

That's a big question, and I don't really have a simple answer. However, I do think this is a fundamentally important question about the future of democracy and in particular, democracy in Canada.

That's why if there's a disagreement—and I don't think there is—between me and Mr. Desjarlais, it's really over this point about being forward-looking. I think it's important for Parliament.... I don't know, I think it's probably the procedure committee, or public accounts, or ethics, where you're all looking at the Trudeau Foundation. I would hope that you're looking at how to protect the integrity of our elections. It's fundamentally important.

• (1740)

**Mr. Maninder Sidhu:** Thank you for that information.

Mr. Cappe, you proudly mentioned that you mentored two Ph.D. graduates. I want to hear more in terms of your belief in the work of the foundation and why it's important for Canadian researchers.

**Prof. Mel Cappe:** When it was created, Mr. Rock, as the responsible minister, characterized it as analogous to the Canadian Rhodes scholarship. I don't think it has gotten to that level yet, but on the other hand, it is a big whack of money. It allows the Ph.D. students to do research that they wouldn't otherwise be funded for.

Let's put this in context. The granting councils, like NSERC, SSHRC and the Canadian Institutes of Health Research, CIHR, do a lot of funding. They are very well endowed to do a lot of funding, although not well endowed enough, I would say, in my current capacity.

I just bumped into a former teaching assistant of mine yesterday who's doing a SSHRC grant where he got \$5 million to do research on this question of polarization and the integrity of elections. It's relevant, Mr. Sidhu, to your questions.

We need to have that money coming from the granting councils. It is incredibly valuable to have independent funding that comes from other sources. These foundations, whether it's the Ivey Foundation, the McConnell Foundation, or the Kahanoff foundation—there are many—are great sources for promoting independent research by very good Canadians.

**Mr. Maninder Sidhu:** Really quickly, we've heard from previous witnesses at this committee about the foundation and its important work. Many of them firmly believe that the foundation is completely non-partisan. Is that something that you also believe?

**Prof. Mel Cappe:** Very much so.

**Mr. Maninder Sidhu:** I'll just thank the witness, once again, for his time today.

Thank you, Mr. Chair.

**The Chair:** Thank you.

I have some informal agreement. I'm going to try to direct things. If anyone disagrees, they're welcome to seek clarification.

Mr. McCauley, you have the floor and I understand you want to give your time to the Bloc colleague.

**Mr. Kelly McCauley:** Mr. Kram.

**The Chair:** I'm going to come back to you, Mr. Kram. I do have that.

Madam Sinclair-Desgagné, you have the floor for five minutes, please.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Thank you, Mr. Chair.

Thank you very much, Mr. McCauley.

Mr. Cappe, you just named the McConnell Foundation, but there are obviously many others, such as the Fondation Marcelle-et-Jean-Coutu and the Molson Foundation. All of these foundations have an important role, and they are all named after someone.

However, unlike these foundations, the Trudeau foundation has not received a single penny from the Trudeau family and is not a foundation. We gave public funds, taxpayer money, to a foundation that bears the name of a former prime minister. There is already a major difference there. The objectives may be noble, but there is nevertheless a major difference.

I would like to respond to your comment about the Institute for Research on Public Policy. If this institute works and has a role in promoting research in society, why did the government choose to transfer the amount of \$125 million to a private foundation that bears the name of a former prime minister rather than to the Social Sciences and Humanities Research Council or other institutions that already existed?

**Prof. Mel Cappe:** We go back to the purpose of the foundation or the purpose of its creation. It was a tribute to the former prime minister. It would have been a bit odd if it had not been named after him.

**Ms. Nathalie Sinclair-Desgagné:** If the family wanted to recognize the work of this individual, why did they not create the foundation themselves with their own money, instead of asking the public to fund a private foundation?

• (1745)

**Prof. Mel Cappe:** I do not think there was a request from the family. It was a government decision.

**Ms. Nathalie Sinclair-Desgagné:** The Trudeau family is very involved in the Pierre Elliott Trudeau Foundation. You named some of its members earlier, including Alexandre Trudeau. So there are important linkages. These family members sit on the board of directors. They are very involved, but they have not invested a penny and they have asked the government to provide the money to honour their father. There is something wrong with that, to say the least.

**Prof. Mel Cappe:** It was Mr. Roy Heenan, the first chair of the board of directors, who was involved in the process. I imagine he created that kind of governance.

**Ms. Nathalie Sinclair-Desgagné:** Who did you appoint? I misheard.

**Prof. Mel Cappe:** I appointed Roy Heenan, the founding lawyer for Heenan Blaikie. He was the first chair of the foundation's board of directors.

**Ms. Nathalie Sinclair-Desgagné:** Was he one of the people who lobbied at the beginning to create this foundation?

**Prof. Mel Cappe:** I knew Mr. Heenan at the time, but I do not know whether he made any requests to the government.

**Ms. Nathalie Sinclair-Desgagné:** At the beginning, when I asked you who made the requests, you told me that the information was confidential. Then you changed your mind and said that, in the end, you did not remember that information.

**Prof. Mel Cappe:** No. It was Prime Minister Chrétien who started the process of paying tribute to Mr. Trudeau.

**Ms. Nathalie Sinclair-Desgagné:** Okay. So your memory came back while your food was cooking. Good.

I do not know whether you have seen this in the newspapers, but we learned that the Trudeau Foundation has not complied with certain legal provisions, particularly the percentage of donations required by the Canada Revenue Agency for the foundation to maintain its charitable status. For four of the past five years, the Trudeau Foundation has not met the legal requirements applied by the CRA in this regard.

When we look at these kinds of things, at the origin of the Trudeau Foundation and its political affiliations, is there not an apparent preferential treatment in the way the foundation operates?

**Prof. Mel Cappe:** I have no knowledge of what they did. I have to say that when I was the CEO of the Institute for Research on Public Policy or the chair of the board of directors of Canadian Blood Services, we had obligations under the Canada Not-for-profit Corporations Act, and we met those obligations.

**Ms. Nathalie Sinclair-Desgagné:** You say that you met those obligations. Are you surprised that the Trudeau Foundation has not met its obligations in four of the last five years?

**Prof. Mel Cappe:** If that is true, I am surprised.

**Ms. Nathalie Sinclair-Desgagné:** Okay.

**The Chair:** Thank you very much.

[English]

Turning now to Ms. Yip, you have the floor for five minutes, please.

**Ms. Jean Yip (Scarborough—Agincourt, Lib.):** Thank you very much for coming and for spending your valuable time on this topic, especially when it doesn't appear that you are so involved.

Based on your experience in public policy and governance, especially governance, do you have any opinions or recommendations you would like to share regarding next steps for the foundation?

**Prof. Mel Cappe:** That's a tough one. Again, I haven't been involved in the foundation since 2018.

Given the controversy that is going on now... I think the foundation is a worthwhile organization. It's doing very good work. I hope it gets over this controversy in a way that allows it to restore the membership of its board and the mentors and the next round of scholars. I think it does very good work. I hope that can happen.

I recall that when I was at IRPP, our offices were around the corner from the foundation. The problem when I was at IRPP was that, as someone said, the foundation had the wrong name, because at the time it was a Conservative government and it was called the Trudeau Foundation. Then, after the election of 2015, somebody said to me that the Trudeau Foundation had the wrong name.

It seems to me as though you can never have the right name if you're the Trudeau Foundation. I think it has to get over that problem of having the wrong name, if you will.

● (1750)

**Ms. Jean Yip:** Going along the theme of the name, could you imagine the foundation without the name Trudeau? Do you think there would be any controversy around donations or any allegations of foreign interference?

**Prof. Mel Cappe:** Let me not address the last point. On the first point, again, as I said to Madam Sinclair-Desgagné, the objective was to provide *reconnaissance* and to recognize former prime minister Trudeau, *le père*. If you're going to be the Pierre Elliott Trudeau Foundation and if why you're doing it is to recognize his contribution, I think it has to have his name on it.

**Ms. Jean Yip:** In your opening statement, you mentioned that a group was thinking of a way to honour the Prime Minister. Do you recall what ideas were discussed? I know it's a long time ago.

**Prof. Mel Cappe:** There were all kinds of ideas. It was a very long time ago. I only remember a couple.

My objective as secretary to cabinet and Clerk of the Privy Council was to not allow them to dream up ideas at the table at the moment, but rather to have what I characterized as a structured and disciplined discussion and an assessment of the alternatives. There was everything from renaming a mountain as Mount Trudeau or creating a highway. There was a whole range of other things.

I think cabinet finally settled on this—I'm probably disclosing cabinet secrets here, although it's after 20 years—and came to this judgment because they thought it was apt to have a scholarship named in former prime minister Trudeau's name.

**Ms. Jean Yip:** You talked about how you were responsible for the structure. What do you mean by the structure?

**Prof. Mel Cappe:** I just mean the decision-making process.

**Ms. Jean Yip:** Okay.

Several experts in foreign interference and members of the foundation have stated the idea that a donation to the foundation could be considered as a calculated influence operation. I wonder about that, and I'm wondering if you would agree with this analysis.

**Prof. Mel Cappe:** I would. I find it passing strange. If I had a million dollars to spend on influence, giving \$800,000 to the Université de Montréal and \$200,000 or \$140,000 or whatever it is to the Trudeau Foundation would be so indirect to make it ineffective. There are, as we know—

**The Chair:** Thank you very much.

**Prof. Mel Cappe:** Okay. There you go.

**The Chair:** All right.

This time, Mr. Desjarlais, you will be taking the Bloc's two and a half minutes, and with your two and a half minutes, that will give you five minutes.

You have the floor, sir.

**Mr. Blake Desjarlais:** Thank you very much, Mr. Chair.

Mr. Cappe, I very much appreciate your frankness today. I'm certain that maybe there was some cabinet confidence breached from 20 years ago. I'd hope that you would help us to understand even more, I think, than what we've had at present.

I want to return to the issue of perception, which I think is really the largest issue that I've talked to community members on. It's something that I talk to Canadians regularly about. I attempt to try to find a balance between what I believe to be hyperpartisanship, but also the truth. I do think there is some happy medium in there to which Canadians can find a balance between what is the criticism of partisanship and also the reality that you've also agreed to, that foreign interference is in fact true, and it's happening. Every witness we've had in this committee has verified that fact.

I just finished questioning you about CSIS on the whistle-blower, or the leaker in your perspective, whichever it is. It highlights how these issues are up for perception. Your perception of this issue is something different from what I've heard from Canadians and someone down the street. They all have a mix of issues.

You've answered some really incredible questions about the nature of a public inquiry to restore confidence in our democratic institutions—the nature of a public inquiry, from my own learning at least, and with your expertise as a civil servant for so long.

There's a backward-looking public inquiry, a forward-looking public inquiry, and the question of whether or not some of these details should be released. You gave two really good examples of some justices who have administered public inquiries with better outcomes for Canadians. The inquiries were also found to have concealed important documents of national security, or privacy concerns of private entities.

Should the Pierre Elliott Trudeau Foundation undergo a public inquiry that would, let's say, conceal all private documents for the purpose of privacy? Do you think, in your own private opinion, to that end, it would be a value to Canadians to at least have a recommendation to what you've just stated, that those donations had little or no influence?

● (1755)

**Prof. Mel Cappe:** I have three quick points.

First of all, I thought you were talking about an inquiry into the general point about foreign influence of which the Pierre Elliott Trudeau Foundation would become a part.

**Mr. Blake Desjarlais:** Oh, I'm sorry, Mr. Cappe. Yes, I am. I think the Trudeau Foundation and many other foundations matter, at least as they pertain to private donations towards a kind of influence. This isn't just the Trudeau Foundation, I should make mention.

**Prof. Mel Cappe:** That's right.

Frankly, on the allegations in terms of Mr. Han and Mr. Chong in Ontario and all of that, I think that's an interesting question.

I would make it looking forward. I think it can be done. I would look at the Rouleau commission on the convoys as the third one that respected the secrecy.

I think now this issue has become so fraught and emotional in the public's mind that I don't think if you did it the way those three commissions were done it would satisfy the demand for publicness. That's my problem.

The only other thing is I remembered Dick Fadden, when he was the director of CSIS, doing an interview—remarkably—with Peter Mansbridge for about 35 minutes. I looked it up. If you google “Dick Fadden Peter Mansbridge”, you'll see it there. At the end of it, Mansbridge, the former anchor at CBC—

**Mr. Blake Desjarlais:** I'm young, but I'm not that young.

**Prof. Mel Cappe:** All right. Well, I have the grey beard.

The point is that Fadden did disclose that there were several provincial cabinet ministers who he thought, alleged, were the subject of foreign interference. This is not a new issue. I thought it was more recent. I was surprised to see that that interview took place 13 years ago.

I'm very much of the view that Parliament, either in its own committees or through a public inquiry, should look at what we should be doing about this. I really don't care what was done. That's, I guess, where we may have a minor difference.

**Mr. Blake Desjarlais:** No, of course, Mr. Cappe. I do appreciate that differentiation.

I think it's also important to take into account that this isn't just China. We're talking about multiple countries, in particular Russia. We're seeing some severe interference there. It's something that's been pretty absent, I think, from the relative conversation of foreign interference.

Would you agree that if there is to be a public inquiry, it should be expanded, looking at other countries and maybe even all countries on foreign interference in Canada?

**Prof. Mel Cappe:** I would make it about foreign interference.

**Mr. Blake Desjarlais:** American interference?

**The Chair:** Thank you very much. That is your time.

We're turning now to our last two spots.

Mr. Kram, you have up to five minutes. It's over to you.

**Mr. Michael Kram:** Thank you, Mr. Chair.

Thank you, Mr. Cappe, for being here today.

I want to follow up on an earlier question. I want to turn to you directly.

Did you say that a donation of \$170,000 to the Trudeau Foundation would not be enough to buy influence with the government?

**Prof. Mel Cappe:** I said that, if I had \$140,000, \$200,000 or \$1 million, I wouldn't spend it that way if I were trying to exercise influence. I think that's an inefficient way of doing it, and they're not stupid.

**Mr. Michael Kram:** What do you think would be a more efficient way to buy influence?

• (1800)

**Prof. Mel Cappe:** A more traditional way is taking people out for coffee or dinner and giving them a refrigerator, a stove and maybe a car. Don't make me into a terrorist or spy, but I think there are more efficient ways of doing it.

In response to Mr. Desjarlais, if I'd had the time, I would have said, “This is not new. Go back to 1945 and the Gouzenko inquiry.”

**Mr. Michael Kram:** With all due respect, Mr. Cappe, you would have to go for a lot of lunches and a lot of coffee to get up to \$170,000. You would have to agree.

**Prof. Mel Cappe:** That's my point exactly, sir.

**Mr. Michael Kram:** Do you know what the contribution limits are for donating to a political campaign in this country?

**Prof. Mel Cappe:** I think it's about \$2,000 or something like that.

**Mr. Michael Kram:** It's slightly less.

Is it really that difficult to imagine that, if an agent of the Communist regime in Beijing wanted to buy influence with a political candidate and found out the contribution limits were \$1,700.... Is it that unreasonable to think the agent might go to Google and look up which other entities in this country have the same name as the current Prime Minister and try to buy influence that way?

**Prof. Mel Cappe:** No, it's not unreasonable, but if I were going for it, I would go for the expatriate community. I would get a whole bunch of expats to pay \$1,700 to put somebody in my pocket.

**Mr. Michael Kram:** Are you aware that is what has been alleged in the case of Mr. Dong?

**Prof. Mel Cappe:** I understand that. It makes a lot more sense.

**Mr. Michael Kram:** You said earlier that the substantive issue of foreign interference is a very important one, and your concerns were echoed in Monday's meeting by Mr. Rosenberg, who said, “Anybody who has family left behind in an authoritarian state may be vulnerable”.

What public policy options are at the disposal of politicians to limit or eliminate this foreign interference? It is a legitimate concern, and a serious one, if you have people living and working here in Canada who are obeying all of Canada's laws but whose family members are being intimidated back in their home country.

What public policy options could you recommend to address the issue?

**Prof. Mel Cappe:** Look, I haven't studied this carefully enough to recommend policy options, but I think there are issues of finance and there are issues of the expatriate community. I agree it goes to Iran and other countries, like Russia. I would look at not just finance. I would look at all the other ways of influencing. We've seen the Confucius Institutes for what they are. We've seen how universities—and my university—have withdrawn from doing research funded by China.

**Mr. Michael Kram:** Thank you, Mr. Cappe.

How do I want to say this?

If someone breaks Canadian laws in Canada, that person is punished under Canadian laws, but if a person's family members are being intimidated back home.... We've heard stories about someone making a social media post in this country that is critical of a foreign regime, and the next day that individual's family member is getting a knock on the door and told they better shut their family member up or there will be trouble.

What public policy options do we have at our disposal as Canadian policy-makers?

**Prof. Mel Cappe:** Unfortunately, you only have jurisdiction in Canada, but that's pretty broad. It gives you the capacity to lean on people who would otherwise be engaging in activity, even abroad. You can't make that an offence—what they do abroad—but if what they do in Canada is offensive, you can go after them.

I don't know how—

**The Chair:** Thank you very much, Mr. Cappe.

I'm going to have to cut you off. I do want to get you to your dinner guests.

The last round of questions is for Mrs. Shanahan.

You have up to five minutes, please.

**Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.):** Thank you very much, Chair.

I, too, would like to thank the witness for appearing before us today and for being very generous with his experience and with his expertise in this matter.

Mr. Cappe, you mentioned several other organizations, institutes or foundations that were created during your time, or on or about your time, by the federal government. Can you talk to us about the usual governance practices around the creation and ongoing monitoring of, for example, the Institute for Canadian Citizenship that was for Adrienne Clarkson's work, as well as the Trudeau Foundation? For example, why not have the Auditor General auditing these organizations?

• (1805)

**Prof. Mel Cappe:** Well, again, should the Auditor General be auditing the five-pin bowling association because it gets a grant from the government as well? I think the answer is no, but I agree with the principle that you should insist that there is an independent auditor, and there is because the law requires it.

In the example I had of IRPP, for instance, I was president. There was a \$10-million grant originally. We had taken it up to about \$42 million by the time I was president, and we were living off the interest of that. We had an audit committee. The chair of the audit committee was a member of the board, and he was the former governor of the Bank of Canada. Then we had an independent auditor, which happened to be Grant Thornton. I think we changed it in my time and, just in the interest of keeping it fresh, we went to another one of the big audit firms. I think that's the way to make sure it happens.

**Mrs. Brenda Shanahan:** Thank you for that.

I think you have seen some of the previous testimony in this committee. If not, just to review, it had to do with the receipt and the deposit of this donation that was by an incorporated entity registered in Quebec, which may or may not have been in foreign funds. I'm not going to get into all the details, but certainly, there were questions around this deposit and of course subsequently, with the recent media attention, around the foundation trying to return the money and what that meant.

Having been a banker in my former life, I know that these things are not cut and dried, and not everybody has that kind of accounting attention to detail. Would you have been concerned about the independent auditors at the Trudeau Foundation not doing their jobs properly, or indeed about the accounting firm that would have prepared the financial statements?

**Prof. Mel Cappe:** No, I wouldn't have been worried if it was an accredited auditor and they respected the public sector audit board's rules and regulations. I think that's where you have to come back to.

I had this curiosity—I will now disclose something I shouldn't—but the former governor of the bank I mentioned was Gordon Thiessen, and he was also the chair of the public sector audit board, so the auditor was subject to him as well as him ensuring the auditor was doing their job.

**Mrs. Brenda Shanahan:** Well, indeed....

Canada Revenue Agency officials were called before us as well, and members here were very insistent that the officials reveal whether they were doing an audit. There have been many attempts to obtain the actual confidential tax information that CRA would normally hold. Do you have any concerns about this? Shouldn't the CRA be providing this kind of documentation?



**Prof. Mel Cappe:** I think it should be respecting the privacy of the audited person, *personne morale*, the corporation. You have to have confidence that either CRA is doing its job or not. I think it's doing its job. I have no information other than I have confidence that it does its job. Judging by how it treats me, I know it does its job.

• (1810)

**The Chair:** Thank you very much. That is the time.

Distinguished Fellow Mel Cappe, I want to thank you for your patience with us today. I hope you haven't stood up your dinner guests for too long.

I'm going to suspend this meeting so we can go in camera.

[*Proceedings continue in camera*]

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